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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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|---------------------------|---|-------------------------|
| | : | Chapter 11 |
| In re: | : | |
| | : | Case No. 08-13555 (JMP) |
| LEHMAN BROTHERS HOLDINGS, | : | |
| INC., <i>et al.</i> , | : | (Jointly Administered) |
| | : | |
| Debtors. | : | |
| | : | |

**OBJECTION OF ANDORRA BANC AGRICOL REIG, S. A.
TO THIRD AMENDED JOINT PLAN OF LEHMAN BROTHERS
HOLDINGS, INC. AND ITS AFFILIATED DEBTORS PURSUANT
TO SECTION 1125 OF THE BANKRUPTCY CODE**

Andorra Banc Agricol REIG, S. A. ("Andbanc"), by and through its undersigned counsel, hereby objects to confirmation of the Third Amended Joint Chapter 11 Plan ("Plan") and respectfully represents as follows:

1. Andbanc, located in the principality of Andorra, is a private banking institution that, in the aggregate owns, approximately \$6.3 million of notes issued by Lehman Brothers Treasury Co., B. V. ("LBT"), a foreign, non-Debtor entity currently in bankruptcy proceedings

in the Netherlands. The notes are guaranteed by Debtor Lehman Brothers Holdings, Ind. (“LBHI”). Therefore, Andbanc holds a claim in this proceeding within Class 5 of the Plan.

2. On September 1, 2011, Debtors filed their Disclosure Statement for the Third Amended Chapter 11 Plan of Lehman Brothers Holdings, Inc. and Its Affiliated Debtors Pursuant to Section 1125 of the Bankruptcy Code. That same day, the Court issued an amended Order (I) Approving the Proposed Disclosure Statement and the Form and Manner of Notice of the Disclosure Statement Hearing, (II) Establishing Solicitation and Voting Procedures, (III) Scheduling a Confirmation Hearing and (IV) Establishing Notice and Objection Procedures for Confirmation of the Debtors’ Joint Chapter 11 Plan (dkt. #19631) (the “Amended Order”).

3. The hallmark of the Plan involves a purported compromise by which certain creditors (including Andbanc) give up 20% of their distribution with respect to their claims in settlement of the alleged risk of substantive consolidation of, in the case of Andbanc, LBT. This 20% re-allocation is stated to be for the particular benefit of two favored classes of creditors: holders of Senior Unsecured Claims and General Unsecured Claims against LBHI.

4. Andbanc objects to this purported settlement with respect to its claim as being unreasonable and inconsistent with Bankruptcy Rule 2019 as follows:

a. The proposed re-allocation settles a claim that has no merit.

Andbanc submits that there is no basis for a U.S. bankruptcy court to substantively consolidate a foreign non-Debtor entity currently subject to the supervision of a foreign court (LBT) by virtue of a bankruptcy proceeding pending in that court. Moreover, there is no

showing whatsoever that LBT and LBHI were treated as anything other than separate and distinct entities in every respect;

b. The benefit of the proposed settlement goes only to two specially identified classes of creditors rather than to the estate as a whole;

c. The proposed re-allocation does not benefit Andbanc who does not share in the transfers from creditors whose debtor-obligor faces a genuine risk of substantive consolidation; and

d. Creditors such as Andbanc would not receive at least as much under the Plan as under a Chapter 7 liquidation, in violation of § 1129(a)(7).

WHEREFORE, Andbanc respectfully requests the Court to enter an Order denying confirmation of the Plan and grant Andbanc such other and further relief as the Court deems just and proper.

Dated: November 4, 2011
New York, New York

Respectfully Submitted,
LOWENSTEIN SANDLER, P.C.

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